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## Despite loss of Amazon's HQ2, new development 'The 78' aims for win on diversity

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Chicago's newest community, The 78, may have lost out as a finalist for Amazon, but the 62-acre development coming to Clark Street and Roosevelt Road is now eyeing a huge win on diversity and inclusion.

Approved by the Chicago Planning Commission on Thursday, the large-scale development — envisioned as the city's 78th community — will cost \$7 billion, producing 15,000 construction and 24,000 permanent jobs.

But it will also raise the bar on diversity hiring by any private developer in Chicago, through a four-pronged community benefits program partnering with groups such as Black Contractors United, Hispanic American Construction Industry Association (HACIA), Association of Asian Construction Enterprises and Federation of Women Contractors.

Related Midwest will spend \$4 billion on labor for the project.

"The scale of this project is really unprecedented for private investment," said Don Biernacki, senior vice president/partner at developer Related Midwest. "We at Related feel if this is truly going to be Chicago's next great neighborhood, then it must serve as a platform to prioritize the ability of people of this region to participate."

"We're not just going to have a job fair and call it a day," Biernacki said.

Under what essentially is a community benefits agreement for the South Loop development that was considered for the new home of Amazon's HQ2 — under a failed city/state bid offering the e-commerce giant a \$2.25 billion incentive package — Related Midwest created its own Community Inclusion Council.

The council, including groups such as Rainbow PUSH and St. Paul Church of God in Christ Community Development Ministries, will provide strategic direction and help implement local hiring that prioritizes area residents and underrepresented groups.

The council will establish best practices and monitor progress of an ambitious goal to help area small businesses compete at every level, including construction, ancillary needs such as feeding The 78 workforce and providing insurance for the project to supply chain diversity, including in manufacturing and distribution.

An innovative Resource Center, to be located at 25th & State streets, will provide support to those businesses as well as individuals seeking employment at the project — bounded by the Chicago River, Roosevelt Road, 18th Street and Clark Street. An incubator will help those businesses address gaps needed to compete, from accounting and legal services to support scaling up.

“This city has been so racially polarized and so divided for so long that it has become standard fare,” said the Rev. Kevin Anthony Ford of the St. Paul organization. “What Related has done is bring together very independent bodies, businesses, contractors, unions and suppliers, and infused the spirit of inclusion.”

“This is spectacular in that people in this region will now be ready for the opportunity when it arises, as opposed to opportunities arising and people not being able to get any benefit,” Ford said.

The goals for the mixed-use residential, retail, corporate and green space project — approved by the commission at 13 million square feet — would be historic, far beyond traditional minority- and women-owned contracting guidelines.

The project is also historic in that it’s rare for trade groups representing the city’s diverse populations to work together — rather than advocating for a piece of contracting pie for their own.

The 78 will host the University of Illinois’ \$1.2 billion research and innovation hub; 20 percent of the residences will be set aside for affordable housing; and an extended Chicago Riverwalk will connect downtown to Chinatown.

“What we are trying to do with this site is really transform the connection between downtown and communities like Chinatown, Bronzeville and Pilsen,” said Related Midwest President Curt Bailey. “We were lucky enough to obtain our permit today, and we look forward to getting started, working with our community partners.”

Within the next two months, he said, the city will begin extending Wells Street to Wentworth Avenue, one of its infrastructure contributions to The 78.

Three other infrastructure projects will follow — moving the Metra tracks running alongside Clark 300 feet west; extending 15th Street into the site to connect with Wells; and constructing a Red Line stop at 15th Street. The project is expected to take 15-20 years to complete.

“The goal here is to really work collectively, because this is such a large project. For the first time, we’re all on the same team,” said HACIA Executive Director Jorge Perez. “We understand this is a once in a lifetime opportunity to really get this right in Chicago, and set the standard for how other organizations can do this in the city, state and nation.”